

WASHINGTON STATE BOUNDARY REVIEW BOARD FOR KING COUNTY
SPECIAL MEETING AND PUBLIC HEARING MINUTES

PROPOSED INCORPORATION:
CITY OF FAIRWOOD (FILE NO. 2194)
(MARCH 29, 2006)

**Nelsen Middle School
Renton, Washington**

The following Minutes are a summary of the Special Meeting/Public Hearing for a Notice of Intention proposing the incorporation of a new City of Fairwood (File No. 2194). Complete written transcripts are available from the Boundary Review Board.

I. CALL TO ORDER

Charles Booth, Chair, convened the meeting of March 29, 2006 at 7:00 P.M.

II. ROLL CALL

The following members were present at the Special Meeting and Public Hearing:

Evangeline Anderson	Angela Brooks
Robert Cook	A.J. Culver
Ethel Hanis	Claudia Hirschey
Roger Loschen	Michael Marchand

III. PUBLIC HEARING

INTRODUCTION:

Chair Booth stated that the purpose of the Special Meeting is to conduct a Public Hearing for a Notice of Intention proposing the incorporation of a new City of Fairwood (File No. 2194).

The Boundary Review Board is charged with the task of providing independent review and decision-making with respect to applications for municipal incorporations. Chair Booth described the standards for a quasi-judicial public hearing and the scope of the hearing. He explained the process for taking public testimony. Chair Booth opened the public hearing.

Chair Booth and Mrs. Hanis described the proposed incorporation as follows:

Chair Booth and Ethel Hanis reported that a community group, the Fairwood Task Force, submitted this Notice of Intention to the Boundary Review Board in November, 2004. The Task Force is proposing to incorporate 4500 acres located in the Urban Growth Area of King County.

The proposed Fairwood Incorporation Area is generally bounded to the west, south and north by Urban Unincorporated King County. Limited sections of the proposed Incorporation Area are contiguous with the City of Renton. The proposed Incorporation Area is bounded on the east by Unincorporated Rural King County.

The proposed Fairwood Incorporation Area is primarily developed with residential uses including single-family homes and multi-family dwelling units. Commercial development includes two community retail centers. Public uses include parks and recreation facilities.

The Boundary Review Board is conducting this Public Hearing in keeping with its statutory mandate (Chapter 35.02 RCW, Chapter 36.93 RCW, *et seq.*) in order to provide an opportunity for citizens to participate in the review of the proposed incorporation of a new City of Fairwood.

Following the conclusion of the public hearing, the Boundary Review Board will deliberate and make a decision/recommendation with respect to the proposed Fairwood Incorporation. The Board will consider the state, regional, and local regulations which guide incorporations.

The Board can make a decision to approve the Fairwood Incorporation Area as proposed by the Fairwood Task Force. The Board can make a decision to modify the boundaries of the proposed Fairwood Incorporation Area as permitted by Chapter 36.93 RCW. The Board can recommend denial of the proposed new City of Fairwood.

Following the final decision/recommendation of the Boundary Review Board, Chapter 35.02 RCW mandates that an election is necessary to permit the citizens of the proposed Incorporation Area to ultimately decide whether to create a new City of Fairwood. If the Fairwood Task Force declines to request an election, then no incorporation can occur.

PRESENTATIONS BY GOVERNMENT JURISDICTIONS:

KING COUNTY: ELISSA BENSON, KING COUNTY EXECUTIVE – OFFICE OF MANAGEMENT AND BUDGET

Elissa Benson representing the King County Executive Office of Management and Budget, stated that her role at this Public Hearing would be to present the position of the King County Executive with respect to the proposed Incorporation of a new City of Fairwood.

Ms. Benson stated that the Executive's Office recognizes the Boundary Review Board's authority and responsibility in the consideration of the proposed incorporation. The Office places great value on the careful attention the Board is directing to the review of proposed incorporation. The County, similarly, recognizes that, as prescribed by law (e.g., RCW 35.02; RCW 36.93, *et seq.*), the citizens have the ultimate authority for the decision as to whether to incorporate their community as a new City of Fairwood.

Ms. Benson stated that the King County Executive supports the forwarding to the voters of the community of the proposed incorporation of the City of Fairwood with boundaries essentially as initially submitted by the Fairwood Task Force to the Boundary Review Board. Amendments to the boundaries are suggested to include two additional parcels – one which is developed with a church and one that includes a small residential development.

King County's support for bringing the proposed City of Fairwood boundaries before the Boundary Review Board and before the voters is based upon the findings reported in Berk & Associates independent analysis of the Fiscal Feasibility of the Proposed City of Fairwood.

Ms. Benson stated that the County supports the transmittal of the proposed incorporation to the voters based upon the fact that the Fiscal Feasibility Study reports that the new City, as defined by proposed geographic borders, would be a viable jurisdiction. The Fiscal Study is considered to be valid and reliable because that document was based upon a standard scope of work, a standardized study model for incorporations, independent collection of data, independent data analysis, and independent reporting of findings obtained in the course of the study.

Ms. Benson further reported that King County sponsored community surveys reflect support of the local populace for the proposed City of Fairwood.

King County further finds that the transmittal of the proposed incorporation of the new City of Fairwood to the voters would be consistent with various state laws, and regional and local guidelines. For example:

- The State Growth Management Act (RCW 36.70A) calls for local jurisdictions to govern urban lands. The Act supports timely incorporation of urban lands to local jurisdictions.
- The King County Comprehensive Plan/Countywide Planning Policies support the proposed incorporation. Policy U-206 provides support for incorporations where financial feasibility has been demonstrated.
- The King County Annexation Initiative seeks to transfer all urban areas to local jurisdictions by 2012. The proposed incorporation would further this Initiative and would address those provisions of RCW 36.93.180 which support local governance for urban areas.

- Based upon the findings reported by Berk & Associates, the proposed incorporation would be consistent with the Boundary Review Board's statutory mandate. More specifically:
 - The City of Fairwood could provide for basic governance and services (pursuant to RCW 36.93.170, RCW 36.93.180, *et seq.*).
 - The City of Fairwood would be fiscally viable (pursuant to RCW 36.93.170 [2]);
 - The City of Fairwood would recognize the interests of members of the Fairwood community in maintaining a cohesive social and geographic community (pursuant to RCW 36.93.180);
- The proposed City of Fairwood boundaries were selected based upon citizen interest in incorporation. The City of Fairwood is based upon proposed boundaries which do not include such neighborhoods as Spring Glen, Cascade, or Benson Hill because the residents of these communities reportedly indicated an affinity for annexation to the City of Renton rather than to join Fairwood. Citizens of these communities have the opportunity to annex to Renton based upon the designation of these neighborhoods in the City of Renton's Comprehensive Plan (Potential Annexation Area) which is approved by the State of Washington.

City of Renton officials report that the City would have the resources to govern and serve these citizens. City officials would welcome an expression of interest in annexation by the residents of Spring Glen, Cascade, and Benson Hill. Existing City resources could be augmented pursuant to the recent passage of SB 6686 which provides funding to cities annexing unincorporated areas with populations of 10,000 or more persons.

At a future date, the residents of these neighborhoods may also seek an opportunity to join the City of Fairwood. (The City of Renton, the City of Fairwood, and the State of Washington would need to authorize this revision).

- The proposed City of Fairwood could function as a viable community with the annexation of the basic Maplewood Addition by the City of Renton (as proposed by the City of Renton). King County does have concerns about the impacts to the proposed City of Fairwood if the Maplewood Addition Annexation were to be substantially expanded. The County would support additional studies by Berk & Associates to determine specific funding impacts from the transfer of an expanded Maplewood Addition from the proposed new City of Fairwood to the City of Renton.

Ms. Benson concluded that King County officials support the Boundary Review Board's comprehensive examination of the entirety of the proposed Fairwood Incorporation. The County is prepared to allocate to the Board necessary resources to enable a diligent and complete review process for the proposed incorporation.

CITY OF RENTON: ALEXANDER PIETSCH, ADMINISTRATOR, DEPARTMENT OF ECONOMIC DEVELOPMENT, NEIGHBORHOODS, AND STRATEGIC PLANNING

Alexander Pietsch stated that City of Renton officials respect the interests of the citizens in determining the future form of governance for their community. The City of Renton is seeking to ensure that the Boundary Review Board – and the citizens that the Board serves – have all of the information necessary to make a decision with respect to local governance.

The State Growth Management Act and the King County Comprehensive Plan/Countywide Planning Policies support governance by local jurisdiction. Annexation is supported over incorporation where an existing local jurisdiction is prepared to govern and serve a community (e.g., King County Policy LU-34).

The area included in the proposed City of Fairwood constitutes a portion of the City of Renton's Potential Annexation Area. The Renton Potential Annexation Area also includes several other communities (e.g., Spring Glen, Cascade) which are excluded from the proposed incorporation

area. Incorporation of a new City of Fairwood based upon proposed boundaries would create a division in the greater community. This division may result in challenges for governing and service in the area as a whole. Including all of the communities within the Renton Potential Annexation Area in a single community – either the City of Renton or a new City of Fairwood would better support an effective unified government unit.

Mr. Pietsch further stated that the Fiscal Feasibility Analysis for the City of Fairwood indicates that, the new city could function satisfactorily at the time of incorporation. However, there are indications from data provided in (or absent from) the study documents that the new City could encounter substantial problems in providing governance and service in the near-term. For example:

- The Fiscal Analysis does not address many of the key requirements for launching of a new city as established by the State Growth Management Act, including, but not limited to: comprehensive planning for land use, housing, capital facilities (e.g., essential public infrastructure/facilities), human services, and public amenities (e.g., libraries, recreation facilities). Two particular examples of requirements that are customarily complex to plan and to implement would include a range of housing options (e.g., affordable housing) and major public facilities (e.g., principal arterial roadways).
- The Fiscal Analysis reports that the new City would require new funds (e.g., taxes, fees) to provide for governance and for services within a short period following incorporation.

Customarily citizens seek incorporation to improve services. Improved services would necessitate new funding sources for the City of Fairwood. Citizens are frequently reluctant to support new taxes and fees to maintain service levels or to obtain only modestly improved levels of service. Similarly, the management of bonded indebtedness may pose a challenge for community members.

- The Fiscal Analysis reports that the new City would likely contract for services from King County; this plan does not address the King County policies for transition out of the business of providing local services.

Mr. Pietsch stated that the City of Renton has the sufficient funding and necessary resources to govern and serve the entire Renton Potential Annexation Area, including Fairwood, Benson Hill, Cascade and Spring Glen. He reported that citizens of these areas have expressed an interest in joining the City of Renton.

Mr. Pietsch reported that, similarly, citizens of Maplewood Addition petitioned the City of Renton to permit community members to consider annexation to the City as an alternative to incorporation into a new City of Fairwood. The City of Renton is prepared to govern and serve the basic Maplewood Addition Area.

The City is also seeking authorization from the Boundary Review Board to expand the Maplewood Addition Annexation to include adjacent properties which are linked by critical geographic features (e.g., sole source aquifer, landslide areas) to Maplewood Addition, and, thereby, to the City of Renton. The City is seeking to annex this adjacent land to ensure that the immediate community – and the entirety of the City of Renton – is protected from hazards such as slides that encroach upon the Cedar River corridor and contamination of the aquifer. The City of Renton has historically provided emergency management services to the area. City officials are concerned that a new City of Fairwood – with limited funding and management experience – will be unable to provide adequate protection to this community.

Mr. Pietsch stated that City of Renton requests that, in the event that the Board does support an incorporation of a new City of Fairwood, the boundaries of the incorporation area be revised to: (1) remove the greater Maplewood Addition Area (660 acres) from the incorporation to permit the citizens of this area to later determine their preference for affiliation with a local jurisdiction; and (2) include the maximum amount of the remaining Potential Annexation Area for incorporation permitted by statutory mandate (e.g., RCW 36.93, RCW 35.02). Such

boundary adjustments would be anticipated to permit the City of Fairwood to retain an equivalent fiscal base to that base described in the Berk & Associates Fiscal Feasibility Analysis for the proposed City of Fairwood.

Mr. Pietsch concluded that the geographic, political, and social connections within the entirety of the Potential Annexation Area are so substantial as to clearly support the maintenance of all – or as much as feasible – of this community as a single unit. To that end, the citizens of the area should be provided with the maximum array of options for future governance.

KING COUNTY SHERIFF: JAMES GRADDON, CAPTAIN

Captain Graddon stated that the Sheriff's Office takes a neutral position on the future plan for governance of the area. The Sheriff's Office supports the right of the citizens to determine future governance of their community.

Captain Graddon reported that the Office of the Sheriff has both the necessary resources and the experience to provide services to both municipalities and other entities. Direct services and contact services enable the Office of the Sheriff to practice "economies of scale." Thus, the Office of the Sheriff is prepared to continue service to the entire Renton Potential Annexation Area including lands which are unincorporated and/or lands that are part of a new City of Fairwood or the existing City of Renton.

The Office of the Sheriff works with individual jurisdictions to set service plans, staffing selection, and similar administrative systems for contract management. The program designed for each community is based upon service preferences and funds available from the jurisdiction to purchase services from the County. It is anticipated that a new City of Fairwood would have sufficient funding for balanced basic services at incorporation; services could be modified in the future based upon community interest and resources.

OPPONENT PRESENTATION (JURISDICTION):

No government jurisdiction presented testimony in opposition to the proposed incorporation.

GENERAL TESTIMONY:

Community groups and individual citizens testifying in the matter of the proposed City of Fairwood presented comments/questions relating to: (1) incorporation of a new jurisdiction; (2) annexation to the City of Renton; and/or (3) retention of unincorporated status within King County. A summary of those comments/questions is provided below:

COMMUNITY GROUP TESTIMONY:

- Shady Lake Community Council representative (Joe Giberson) testified that this neighborhood lies within the boundaries of the proposed incorporation area. Citizens support incorporation into a new City of Fairwood as a local jurisdiction would more appropriately address local concerns for land use, planning, zoning, public health and safety, and code enforcement.

Further, the Fairwood community includes numerous environmentally sensitive areas (e.g., Shady Lake). It is believed that a City of Fairwood would have both the commitment and the tools to ensure protection of that environment.

The Shady Lake Community Council bases their view of community support for incorporation upon a telephone survey (153 respondents) which determined that citizens had a range of preferences for in future governance systems, but there was considerable interest in incorporation.

A study of area citizens' voting patterns on fees and taxes necessary to provide community improvements concluded that the residents have been generally supportive of measures that provide services (e.g., emergency services, fire protection services, library services) to the community. This pattern would bode well for the success of a new City of Fairwood.

- Renton Park Community Group representative (Tom Reiter) testified that the Renton Park Area (i.e., located in the vicinity of 128th Avenue SE/SE 164th Street) is proposed to be included in the new City of Fairwood. More specifically:
 - Renton Park is reportedly more closely linked to the City of Renton by virtue of geographic features such as land contours (e.g., ravine, greenbelt), primary road access.
 - Renton Park citizens reportedly frequently utilize services and amenities in unincorporated King County and in Renton (e.g., shopping, personal services, recreation facilities).

Therefore, many of the citizens in the Renton Park Area would reportedly prefer to have their properties removed from the incorporation area boundaries to permit citizens to consider future annexation to Renton.

- Benson Hill Community Progress representative (Eric Gimit) reported Benson Hill citizens reportedly find a closer affiliation with Renton than with Fairwood. These citizens are more inclined to use facilities in Renton.

The preservation of the King County Pool is also key priority for this community. Community members reportedly believe that the County and/or Renton likely have a greater commitment and more adequate resources to maintain this public facility than would exist in the City of Fairwood.

- “A Greater Renton – A Better Fairwood” (Cascade, Benson Hills, Spring Glen, portions of Fairwood) representative (Laurie Van Leuven) spoke in support of annexation of their communities to the City of Renton.

Several community meetings and surveys indicate a preference for joining Renton. The City is a strong community with demonstrated viability based upon well-established and fully funded governance programs and services, including land use planning, zoning, public services (e.g., fire protection, police service, libraries, recreational facilities), capital facilities (e.g., roads, water service, sewer service), and human services (e.g., housing, senior services, children’s services). The City has a sound – and growing – economic center including employment sector and commercial nodes.

New legislation (SB 6686) would provide the City with considerable new funding to support the transition of the community into Renton.

A new City of Fairwood would experience substantial challenges in governing and serving the “Greater Renton...” community. The City of Renton has expressed substantial interest in annexation of this community.

Therefore, “A Greater Renton” respectfully requests that the Boundary Review Board decline to support incorporation of the proposed new City of Fairwood.

- Fairwood Greens representative (Ron Billock) reported that this residential community within the boundaries of the proposed incorporation area, strongly favors the proposed incorporation.

Testimony supports the view that the Fiscal Feasibility Analysis, an independent study, finds the City to be a viable entity. Sufficient start-up funds would be available. While new funds will be necessary to maintain viability over time, citizens of the area have historically

supported improvements to the community. As a result the community receives excellent basic public services (e.g., fire, police). Further, the community reportedly includes such features as single-family homes and multi-family homes (including affordable housing), an sizeable number of parks, libraries, services for seniors and children, and many other amenities.

Citizens are reportedly seeking an opportunity for local governance. The Board is requested to conduct a thorough, objective review of all of the information provided with respect to the proposed incorporation – including the Fiscal Feasibility Study, documents provided by the Fairwood Task Force, documents provided by the City of Renton, documents provided by King County, and documents provided by community stakeholders.

Further, the Board is requested to make a decision based upon the Fiscal Feasibility Study, as related to the state laws (e.g., RCW 36.93) that establish decision criteria for the Boundary Review Board.

Although the law permits citizens to vote on incorporation of a new city whether or not the Board decides in favor of that action, it is believed that a decision by the Board which supports the incorporation will improve the likelihood that citizens will vote to incorporate a new City of Fairwood.

CITIZEN TESTIMONY:

- A new City of Fairwood would reflect the vision of community members.
- Considerable human resources have been dedicated, through the Fairwood Task Force and a wider citizens' group, to the basic design (structure and function of a new City of Fairwood).

Planning for the new City reflects general community interests and investment in local governance and local service plans/programs such as public infrastructure (e.g., roadways), library services, fire services, human services (e.g., senior services, children's services).

- Incorporation as a new city would reflect citizen's preference for living in a small community rather than joining a larger urban community such as the City of Renton. Citizens living in a smaller community have more opportunity to participate in the governance process.

Joining Renton would place citizens in a well-established community in which it would be less feasible for citizens of Fairwood to protect existing services and amenities or guide the future of their community.

- Annexation to Renton, as compared to incorporation as a new City of Fairwood, could require a considerable period of time creating ongoing uncertainty for the future of the Fairwood community. Further, even if successfully, the addition of the entire Renton Potential Annexation Area to the City would reportedly result in a major increase in both the land area and the population of the City. Such a significant alteration of the City could bode ill for Renton's ability to govern and serve the community.
- The Fiscal Feasibility Analysis for the Proposed City of Fairwood reportedly determined that the city would be viable at incorporation. Citizens would have reliable and reasonable resources for the management of a distinctive, quality community. Options and opportunities would exist to raise new funds in the future to further improve the quality of life in Fairwood.

Citizens of the area would appreciate having an opportunity to vote to determine whether there is sufficient support for the incorporation of a new City of Fairwood.

- The Fiscal Feasibility Analysis for the Proposed City of Fairwood reportedly determined that the city would be viable at incorporation. However, the Analysis also clearly reported that the community would incur many challenges for governance and service in the near term.

Based upon the scope of those challenges, incorporation as a new City most certainly creates a significant risk for the future viability of the community. Annexation to Renton provides for a more predictable system of governance, a more reliable fiscal base, and opportunities to utilize existing services/facilities (e.g. parks, recreation programs).

- Citizens of Maplewood Addition presented an annexation petition to Renton in April 2005. Numerous citizens from the community continue to prefer annexation to the City. This preference is reported based upon such factors as: a sense of community affiliation with Renton; geographic proximity to Renton; and demonstrated capacity of the City of Renton to provide public services and facilities to Maplewood Addition if the community requires/desires such improvements at a future date.

Further, while the City of Fairwood may launch with adequate funding, it is reportedly clear that fiscal resources would be fragile. It would be necessary to secure new funds through taxes and fees to ensure long-term viability. Affiliation with an existing City that possesses reliable resources would reportedly be of greater benefit to the Maplewood Addition community.

- All community members – those who favor incorporation, annexation, or the current unincorporated status – request that the Board fulfill its mandate for due diligence and independent consideration to the Berk & Associates Fiscal Feasibility Analysis for the Proposed City of Fairwood.

IV. DETERMINATION OF THE STATUS OF THE PUBLIC HEARING /ADJOURNEMENT

At the completion of public testimony at the March 29, 2006 Special Meeting/Public Hearing for the proposed incorporation of a new City of Fairwood, Chair Booth instructed the Board with respect to procedures for continuation of the public hearing.

Board members agreed that the Public Hearing should be continued to March 30, 2006 for the purpose of completing citizen testimony and receiving a rebuttal presentation.

Board members are also seeking information/clarification relating to authorities for boundary modifications (as prescribed by RCW 36.93.150) for potential technical boundary adjustments and substantive boundary adjustments. This information is required for the Boundary Review Board to proceed to deliberation for a decision on the proposed incorporation of a new City of Fairwood.

Angela Brooks moved and Robert Cook seconded a motion that the Boundary Review Board adjourn the March 29, 2006 Session of the Special Meeting/Public Hearing in the matter of the proposed incorporation of a new City of Fairwood and continue the Special Meeting/Public Hearing to March 30, 2006 at 7:00 p.m. at Nelsen Middle School in Renton, Washington.

The motion passed by unanimous vote. Chair Booth adjourned the meeting at 10:00 PM.